

STAFFORD COUNTY SCHOOL BOARD

Agenda Consideration

TOPIC: Expansion of On-line Surplus
Property Auction Program

ITEM NO.: 10A

PREPARED BY: H. Charles Woodruff, II
Assistant Superintendent
for Financial Services

MEETING: March 23, 2004
ACTION DATE: April 6, 2004

ACTION REQUESTED BY THE SUPERINTENDENT: That the School Board authorize staff to make use of Internet auctions to dispose of all surplus property and that proceeds from the sale of school surplus furniture and equipment be returned to the schools in the form of increased site allocations.

KEY POINTS:

The on-line surplus property auction pilot program was a tremendous success. Over the two-week period of the auction, we received 123 bids from six states on 10 buses. A buyer from South Carolina bought all 10, half of which were not in running condition. The School Board received \$3,585 from the buyer plus the 8 percent commission due to *esurplus AUCTION* for using their service. Had these vehicles been sold at a live auction, the net proceeds received by the School Board would have been about \$2,706, after deduction of the auctioneer's ten percent commission and factoring in the \$52 per bus associated with preparing them for sale (sale preparation cost is based on the average labor rate for garage technicians). Clearly, Internet auctions are more profitable than live auctions.

By expanding Internet auctions to include surplus furniture and equipment in addition to buses, we will be saving the labor cost (Maintenance Department employees spend a considerable amount of time moving property from one place to another) associated with transporting the surplus property from school sites to the maintenance warehouse and then to the auction site and then to the dump, if not sold. Surplus property will remain at the site where it was used, until sold and picked up by buyers.

Building administrators are enthusiastic about recovering lost storage space. As a further incentive, it is recommended that an individual school's site allocation for supplies and equipment be increased by the amount of the proceeds realized on the sale of its surplus furniture and equipment.

SCHOOL BOARD GOAL 8: Provide School Board leadership in advocating for adequate funding in support of Stafford County Schools.

FUNDING SOURCE: Not applicable.

AUTHORIZATION REFERENCE: Code of Virginia, §22.1-129